

National Intelligence Daily

Monday 9 April 1984

> Top Secret CPAS NID 84-083JX

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9 April 1984

COPY 285



Sanitized Copy Approved for Release 2011/0	2/11: CIA-RDP87T00970R000200020030-6
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Contents

USSR-US: Chernenko on Bilateral Relations	1	
USSR: Meetings of Leadership	2	
		25 X 1
Kuwait-US: Defense Minister's Concerns	4	
Poland: Church-State Relations	5	
Notes		
China-US: Progress on Joint Venture	6	
Cameroon: Attempted Coup Suppressed	6 .	
China-Vietnam: Clashes on Border	7	
		25 X 1
In Brief	8	
Special Analysis		
Romania: Ceausescu Under Pressure	9	

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Sanitized Copy Approved for Release 2011/02/11: CIA-RDP87T00970R000200020030-6 **Top Secret** 25X1 **USSR-US:** Chernenko on Bilateral Relations General Secretary Chernenko's interview in Pravda today is notably more critical of the US and more pessimistic on the prospects for US-Soviet relations than his speech on 2 March. 25X1 The Soviet leader accuses the US of torpedoing the START and INF talks and states that contacts with Washington show no positive changes in the US position on these issues. He says "measures" by the US and its allies to restore the situation existing before the start of INF deployments by the US are the "real road" to resuming talks. 25X1 Chernenko reviews the issues he had cited in his speech in March as offering the possibility of a breakthrough in US-Soviet relations. He claims that President Reagan recently stated that the US is beginning a broad program of arms deployment in space and has no intention of reaching an agreement with the USSR on this issue. 25X1 The General Secretary notes that the US has not yet tabled a treaty to ban chemical weapons and is accelerating production and deployment of them. He also cites the lack of US movement on ratifying the Threshold Test Ban Treaty, the Peaceful Nuclear Explosions Treaty, and a comprehensive test ban treaty. He accuses the US of raising the issue of verification "whenever it does not want an agreement.' 25X1 Comment: The Soviet leader's interview today comes closer than his earlier speech to specifying that the US must withdraw its missiles for the Soviets to agree to resume the Geneva talks. In March his speech had implied he might be more flexible on this than Andropov. 25X1 Chernenko may be genuinely disappointed that his earlier speech did not bring forth more concessions from the US. In addition, with the Central Committee plenum beginning this week, he may have found it expedient to use language more akin to that in statements by Foreign Minister Gromyko and Defense Minister Ustinov. 25X1

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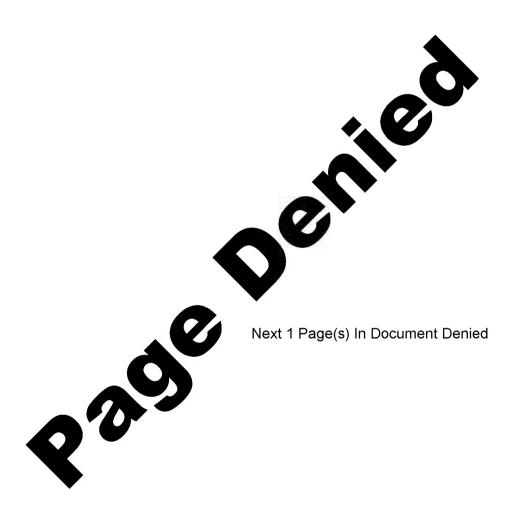
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Meetings of Leadership

The Central Committee plenum and the Supreme Soviet session this week will provide indications of the extent of General Secretary Chernenko's success in consolidating his power, amid signs of the increased influence of Foreign Minister Gromyko and some others. 25X1 The plenum, which is to begin today or tomorrow, and the Supreme Soviet session on Wednesday are to deal primarily with personnel matters rather than policy questions. Most Soviet officials say that the Supreme Soviet will approve Chernenko as president and that Tikhonov will remain as premier. 25X1 Several Soviet sources have reported that party secretary Gorbachev will assume Chernenko's old post as chairman of one of the two Supreme Soviet foreign affairs commissions along with the ideological portfolio in the party Secretariat. Rumors are circulating that KGB chief Chebrikov may be made a full member of the Politburo. 25X1 Comment: Chernenko's anticipated election as president, combined with his assumption of the chairmanship of the Defense Council, would add to his authority. Chernenko, however, probably will have to share power more than his predecessor did with Gromyko, Defense Minister Ustinov, and Gorbachev. 25X1 Gromyko's increased influence has been acknowledged by several Soviet officials. He has participated in all of Chernenko's meetings with foreign heads of state since Andropov's funeral, and he apparently has become the main formulator of foreign policy. Gorbachev also has gained additional power since Andropov's death, and his position may be strengthened at the meetings. 25X1 Chernenko probably has persuaded Tikhonov, his closest ally, not to retire. If Chebrikov is promoted, it would indicate the continued strength of the KGB and of Gorbachev and others who were allied with Andropov in the Politburo.

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KUWAIT-US:

Defense Minister's Concerns

Defense Minister Salim-who arrives in Washington today-is pleased by the public support for the sentences of those responsible for the bombings in December, but he is worried about the increased likelihood of an Iranian military strike or terrorist attack. 25X1 Kuwait has received several threats since the sentences were announced two weeks ago. Iran's Ayatollah Montazeri — Ayatollah Khomeini's probable successor—expressed "regret and surprise" at Kuwait's siding with the "foreign infidel" against Islam. In addition, a Tehran-backed Islamic student group has threatened to bomb the Amir's palace, government buildings, and foreign embassies if all Muslim prisoners are not released. 25X1 US Embassy sources report that security around key installations remains tight at the port of Shuwaybah—a target of the bombings in December—and its associated petrochemical complex, and electric power and desalination plants. Restrictions on visas and travel imposed after the bombings remain in effect. Security authorities continue to arrest and deport foreigners on a wide range of charges. 25X1 25X1 Comment: During his visit, Salim will raise the subject of Western arms sales to Iran, and he will seek US support for ending the war. Like other Kuwaiti officials, Salim believes the US can influence both

issues.

Salim prides himself on his diplomatic skills rather than his military expertise, and he will see his visit as an opportunity to ease bilateral tensions that were aggravated by Kuwait's rejection of the US Ambassador-designate last summer. Salim also will probe US willingness to sell Kuwait advanced fighter aircraft. He will be reluctant, however, to discuss military cooperation, contingency planning, or arrangements for the storage of military equipment.

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POLAND:

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(Church-State Relations		
1	The church and the government have tempo dispute over crucifixes at the agricultural so Warsaw, but the decision by the regime not legislation granting the church legal status	chool south of to proceed with	÷ ·
•	complicate the resolution of other issues.		25 X 1
I	A senior church official told US Embassy officer on the crucifix issue might serve as a national number of the crosses would be said the return of the crosses would throughout Poland to display crucifixes in their	nodel for resolving the however, other church ld encou <u>rage students</u>	25X1
	In addition to dropping its demand that student school authorities, the government will permit scrosses on their clothing and allow crosses in t dormitories.	students to wear	25X1
1	The parliament on Friday passed a general bill used create a private foundation to provide fund Tough negotiations lie ahead on the specific refoundation, according to church spokesmen. We church official told US Embassy officers that the indefinitely shelved the long-anticipated legislategal status, because the regime lacks the will to in its ranks.	s to Polish agriculture. gulations for the leanwhile, a senior le government has tion on the church's	25X1
!	Comment: Resolution of the crucifix controvers government and church officials are intent on reconflicts. They probably will try to exert greate local officials. Nevertheless, numerous content some of which are likely to cause public control.	esolving minor r control over zealous ious issues remain,	25 X 1
•	The regime's decision not to proceed with the church's rights and obligations probably reflect possible criticism from domestic and Soviet has a major concession. The decision, he	ts its concern about rdliners, who would	

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delay agreement on the exchange of diplomatic representatives and other issues between the Vatican and Poland.



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CHINA-US: Progress on Joint Venture

China and a US firm signed financial agreements last week that could lead to the largest Chinese joint venture with a foreign country to date. The Bank of China will guarantee loans obtained by Occidental Petroleum to develop the world's largest open-pit coal mine at Pingshuo in Shanxi Province. A final operating agreement reportedly will be signed in China at the same time as President Reagan's trip later this month. The mine, which could begin partial production in 1986, is expected to produce 15 million tons of coal per year, largely for export markets.

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Comment: Occidental's \$360 million share of the \$600 million proposed project dwarfs the \$85 million US firms now hold in Chinese joint ventures. Pingshuo is the first joint venture to have foreign-partner loans underwritten by the Chinese. Delays in port expansions and a fall in world coal prices last year led Occidental to urge the Chinese to secure its loans and guarantee a reasonable profit. Negotiations had stalled until Premier Zhao, a longtime supporter of the project, intervened early this year.

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CAMEROON: Attempted Coup Suppressed

President Biya will need to reconstruct a workable ethnic and regional balance in his government after having put down the attempted coup. He announced late Saturday that the 36-hour mutiny by his northern-dominated presidential guard had been crushed by paratroopers airlifted to the city. Biya was unharmed and troops loyal to him continued mopping-up operations in the capital yesterday. Reliable estimates of casualties and damage are not yet available, but no US citizens have been harmed and the capital is returning to normal.

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Comment: Biya will have difficulty handling demands from fellow southerners that he deal harshly with northern mutineers without appearing to seek retribution against the Muslim north. Cameroonians throughout the country will profess support for Biya, but his position has been weakened. Loyalist southern officers now hold the balance of power, and at the least will be watching the President closely. They may demand greater participation in government decisions.

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CHINA-VIETNAM: Clashes on Border	
Hanoi claims that on Friday it repulsed an attack by several Chinese battalions after a three-hour fight. Beijing yesterday denied that Chinese troops had entered Vietnam but reported that artillery units continued shelling Vietnamese positions in retaliation for alleged violations of Chinese borders on Thursday and Friday. The US defense attache in Beijing reports that China's artillery attacks are intended mainly as retaliation for stepped-up Vietnamese military activity along the Thai-Kampuchean border.	25X1
Comment: The Vietnamese claim of incursions by battalion-size Chinese units probably is an exaggeration, but sporadic small-unit skirmishes probably have occurred since the artillery exchanges increased last week. Chinese and Vietnamese units remain on alert, but there are no signs that either side is planning major hostilities. Although Vietnamese attacks along the Thai-Kampuchean border appear to have subsided, China probably will maintain pressure on Hanoi to demonstrate its support for Thailand and the registeres.	
Hanoi to demonstrate its support for Thailand and the resistance forces in Kampuchea.	25 X 1
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	In Brief
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	— UN Security Council to meet soon to consider six-month renewal of UN peacekeeping force in Lebanon current mandate expires
7	19 April Perez de Cuellar may suggest UN and Lebanese forces replace Israeli troops in Lebanon.
	 Soviet naval task group will begin five-day visit to Libya tomorrow first visit by Soviet ships since July public announcement
	and naming of commander unusual and underscore Moscow's willingness to show support for Qadhafi.
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	Liberian Head of State Doe has commuted death sentences of 10 of 13 coup plotters despite unanimous demand by ruling military council. Army commanders and public supported Decice.
	council Army commanders and public supported Doe's decision
	 Nigeria's military rulers deadlocked over issue of whether to punish former President Shagari disagreement could provoke
*	palace coup also increasing potential for violence by southern Yoruba under northern-dominated regime.
	Zimbabwean military will escort convoys of imported food through Mozambique follows recent Mozambican insurgent attack on
	trucks transiting Mozambique 800-1,000 Zimbabwean troops now in Mozambique to defend supply lines

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	Special Analysis
IANIA:	Ceausescu Under Pressure
	President Ceausescu's domestic standing appears to have fallen to an alltime low as a result of deteriorating economic conditions. To counter his critics and protect his position, the President shuffled the party and state leadership late last month. The changes, however, are unlikely to lead to improvements in economic conditions. On the contrary, they could cause additional disaffection in the bureaucracy and dangerously erode Ceausescu's standing.
	Fuel shortages have been disrupting industry and transportation since January. Heavy winter snows and exceptionally cold weather severely affected economic activity, which already had been hit hard with import cuts, especially of energy.
	Following the second poor grain crop in three years, consumers apparently have less food. local governments are cutting rations of basic foodstuffs, and even bread is
*	becoming scarce in some parts of the country. Officials visiting the West in recent months have said that workers have to wait in line for most foods, and they are spending much of the workday planning how to feed their families.
	These developments have eroded popular morale, although there has been little overt antigovernment activity.
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	The President's Reaction
	Coguegosu's decision to make changes in his leadership team

Ceausescu's decision to make changes in his leadership team suggests he may sense pressure building against him. The replacement of the Minister of Electric Power and the Minister of Agriculture and Food Industry appear intended to shift the blame for the increasing shortages of power and food and to show that remedial action is being taken.

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These changes have not been received well by the growing number of Ceausescu's critics. Some members of the Central Committee reportedly have said that the new party secretaries are the worst selections that could have been made.

The concern and resentment of party members about the increasing influence of Ceausescu's family and his cronies were underscored by rumors that circulated at the plenum. Ceausescu's next move reportedly may be to name his son, Nicu, party secretary for military and security affairs. In addition, he may name one of Nicu's close

friends as minister of interior.

Despite his current problems, Ceausescu still wields considerable power through his control of the internal security apparatus. Nonetheless, continued economic decline—especially if combined with radical personnel moves that unsettle the party bureaucracy—could make him more vulnerable than at any previous point in his rule.

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